

COST SAVINGS ANALYSIS OF ARIZONA'S REDUCTION IN UNDERAGE DRINKING

To demonstrate the economic benefit to Arizona of investing in the prevention of underage drinking, members of the Arizona Substance Abuse Partnership, Underage Drinking Prevention Committee calculated the cost benefit Arizona has received from the reduction in 30-day youth alcohol use.

The cost benefit analysis showed that Arizona's success in reducing 30 day use of alcohol and binge drinking among Arizona's 8th, 10th, and 12th graders, saved Arizona roughly \$360 million dollars between 2002 and 2008.

This equates to approximately \$60 million dollars in annual cost savings to the state of Arizona. It is estimated that for calendar year 2009 an additional \$60 million will be saved.

Method of calculation:

The savings was calculated by multiplying the annual cost of underage drinking to Arizona¹ by the average annual percent reduction in 30 day alcohol use ² by the number of years.

$$\$1,296,400,000 * 4.6\% * 6 = \$360,399,200$$

Supporting data

	Percentage who used alcohol in the past 30 days				Decrease in the percentage who used alcohol in the past 30 days			Average % reduction
	2002	2004	2006	2008	Between 2002 and 2004	Between 2004 and 2006	Between 2006 and 2008	
Arizona 8 th , 10 th , and 12 th grade students	47	36.3	34.4	33.1	10.7%	1.9%	1.3%	4.6%

¹ Pacific Institute for Research and Evaluation (2006) Arizona Underage Drinking Costs Fact Sheet. Available on line at: <http://www.pire.org/detail2.asp?core=38214&cms=50>.

² Arizona Criminal Justice Commission (2008) Arizona Youth Survey State Report. Available on line at: <http://www.azcjc.gov/sac/ays.asp>.